United Nations S/AC.49/2018/77

Security Council

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Security Council Committee established pursuant to resolution 1718 (2006)

Note verbale dated 2 May 2018 from the Permanent Mission of Malaysia to the United Nations addressed to the Chair of the Committee

The Permanent Mission of Malaysia to the United Nations presents its compliments to the Chair of the Security Council Committee established pursuant to resolution 1718 (2006) and has the honour to submit herewith Malaysia's national report on the implementation of Security Council resolutions 2321 (2016), 2371 (2017) and 2375 (2017) (see annex).

In that regard, we request the Committee to update the submission of Malaysia's national report and make a copy of the latest report available on the website of the Committee.

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Annex to the note verbale dated 2 May 2018 from the Permanent Mission of Malaysia to the United Nations addressed to the Chair of the Committee

Report by Malaysia on the implementation of Security Council resolutions 2321 (2016), 2371 (2017) and 2375 (2017)

1. Introduction

As a State Member of the United Nations, Malaysia is fully committed to complying with and implementing all relevant operative provisions of Security Council resolutions 2321 (2016), 2371 (2017) and 2375 (2017). Malaysia considers those resolutions a clear manifestation of the international community's unequivocal rejection of the proliferation of nuclear weapons and their delivery systems by the Democratic People's Republic of Korea. Malaysia is committed to ensuring that appropriate measures are taken to implement those resolutions and will continue to cooperate with the international community to prevent any acts that could contribute to the nuclear or ballistic missile programmes of the Democratic People's Republic of Korea.

Malaysia reaffirms that the illicit development and procurement of weapons of mass destruction and related technologies and capabilities by any State is unacceptable and contrary to international law. Such activities undermine the international community's resolve and commitment to peaceful relations among States and to the peaceful resolution of conflicts.

2. Measures with regard to the resolutions

Malaysia's implementation of the operative provisions of resolutions 2321 (2016), 2371 (2017) and 2375 (2017) is in conjunction with its reports submitted pursuant to the respective provisions of resolutions 1540 (2004), 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013) and 2270 (2016) (see S/AC.44/2004/(02)/35, S/AC.49/2016/1 and S/AC.49/2016/54).

(a) Designations

Individuals and entities (resolutions 2321 (2016), 2371 (2017) and 2375 (2017), para. 3)

The Strategic Trade (United Nations Security Council Resolutions) Regulations 2010, which came into force on 1 January 2011, provides for the domestic implementation of sanctions on designated individuals and entities under the Strategic Trade (Restricted End Users and Prohibited End Users) Order 2010, including the freezing of funds and other financial assets or economic resources, the prevention of travel, the prevention of the provision of any financial services (including insurance and reinsurance) and investments and the prohibition of such other activities as may be required under the relevant decisions of the Security Council on designated individuals and entities of the Democratic People's Republic of Korea as listed by the Security Council Committee established pursuant to resolution 1718 (2006) and in subsequent Council resolutions.

On 20 June 2016, to facilitate effective implementation of Security Council sanctions on newly designated individuals and entities, the Order was amended to provide automatic reference to the list of designated individuals and entities of the Democratic People's Republic of Korea as maintained by the Committee on its website.

Any person who contravenes the Regulations commits an offence and shall, upon conviction, be punished with a fine of not more than RM 1 million or imprisonment for a term of not more than two years, or both.

On 14 July 2016, Bank Negara Malaysia (the central bank of Malaysia) issued a circular pursuant to the Central Bank of Malaysia Act 2009 (Act 701) to effect full adoption and implementation of the Order as amended in 2016 by all financial institutions under its purview. In the event of a positive name match arising from ongoing sanctions screening activities, financial institutions are required to alert the Bank through the submission of a standard template report.

On 15 August 2016, based on section 4B of the Labuan Financial Services Authority Act 1996 (Act 545), amended in 2010,[1] the Authority requested all reporting institutions (Labuan banks and investment banks, insurance, reinsurance and insurance-related companies, as well as trust companies) for an immediate check and to report back to the Authority on all match exposure with the designated list of individuals and entities. A total of 200 declarations of no exposure arising from this exercise were received from reporting institutions.

The Securities Commission of Malaysia had, by means of an email blast sent out by the electronic licensing application system on 10 July 2017, requested all capital market services licence holders to provide feedback on their dealings with the Democratic People's Republic of Korea. In this regard, none of the reporting institutions have representative offices, subsidiaries or banking accounts in the Democratic People's Republic of Korea, provide public and private financial support to the Democratic People's Republic of Korea, or have transactions in securities/investment in the Democratic People's Republic of Korea or engagement with any individual who is working on behalf of or at the direction of a Democratic People's Republic of Korea bank or financial institution.

The Companies Commission of Malaysia has blacklisted all designated individuals in the consolidated list established and maintained pursuant to resolution 1718 (2006) as of 18 August 2017. It has also issued an instruction to all company secretaries and prescribed bodies on the full implementation of resolution 2371 (2017), by ensuring that no new incorporation or appointment of directors and shareholders involves the names listed in the annex to that resolution through enhanced due diligence.

Items, materials, equipment, goods and technology, luxury goods and dual-use conventional arms (resolution 2321 (2016), paras. 4, 5 and 7)

Malaysia has implemented measures, under the Strategic Trade Act 2010 (Act 708), to control the export, trans-shipment, transit and brokering of strategic items, including arms and related materiel, and other activities that will or may facilitate the design, development and production of weapons of mass destruction and their delivery systems. Brokering of strategic items is controlled under the Act by way of

[1] Section 4B (2) of the Act reads:

(2) Any Labuan financial institution who fails to comply with any direction issued under subsection (1) shall be guilty of an offence and shall be liable, on conviction —

(a) in the case of an individual person —

(i) to a fine not exceeding two hundred and fifty thousand ringgit; and

(ii) for a continuing offence, to a fine not exceeding two thousand and five hundred ringgit for every day during which the offence continues after conviction; and

(b) in the case of a body corporate or partnership —

(i) to a fine not exceeding five hundred thousand ringgit; and

(ii) for a continuing offence, to a fine not exceeding five thousand ringgit for every day during which the offence continues after conviction.

registration, whereby a broker of any strategic items is required to be registered under the Act before brokering in such items.

Those strategic items are military items or dual-use items that are required to be controlled under the global export control regimes, including the Wassenaar Arrangement on Export Controls for Conventional Arms and Dual-Use Goods and Technologies, Missile Technology Control Regime, Nuclear Suppliers Group, Australia Group and the Convention on the Prohibition of the Development, Production, Stockpiling and Use of Chemical Weapons and on Their Destruction. These items are specified and maintained in the Strategic Trade (Strategic Items) Order 2010. The Order is updated from time to time, based on the updates made by the respective export control regimes.

The Act requires any person who intends to export, trans-ship or bring in transit strategic items, including arms and related materiel listed in the Order, to apply for a permit from the relevant Authority. In the case of the export, trans-shipment or transit of strategic items to restricted end-user countries such as the Democratic People's Republic of Korea, a person shall obtain a special permit issued by the relevant Authority under the Act. However, the export, trans-shipment or transit of strategic items to prohibited end users, namely, individuals and entities sanctioned under the relevant Security Council resolutions against the Democratic People's Republic of Korea, is totally prohibited under the Act.

(b) Financial

Limit the number of bank accounts to one per diplomatic mission and consular post of the Democratic People's Republic of Korea, and one per accredited diplomat and consular office of the Democratic People's Republic of Korea (resolution 2321 (2016), para. 16)

Bank Negara Malaysia has engaged with all banking institutions and requested details on any active current and/or savings accounts belonging to the Embassy of the Democratic People's Republic of Korea or its consular officers. From this ongoing surveillance exercise, it has been confirmed that neither the Embassy nor its consular officers hold more than one banking account with financial institutions in Malaysia.

Close existing representative offices, subsidiaries or banking accounts in the Democratic People's Republic of Korea within 90 days (resolution 2321 (2016), para. 31)

Financial institutions licensed by Bank Negara Malaysia do not have representative offices or branches in the Democratic People's Republic of Korea. There are also no branches or subsidiaries from the Democratic People's Republic of Korea in operation in Malaysia.

Malaysia submitted a note verbale to the Committee on 18 July 2017 for an exemption to maintain the bank account of the Embassy of Malaysia in the Democratic People's Republic of Korea for the purpose of diplomatic activities. The Chair of the Committee approved Malaysia's request for the exemption by means of a letter dated 6 February 2018, in accordance with Security Council resolution 2321 (2016).

Prohibit insurance or reinsurance services to vessels owned, controlled or operated by the Democratic People's Republic of Korea and prohibit public and private financial support from within their territories or by persons or entities subject to their jurisdiction for trade with the Democratic People's Republic of Korea (including the granting of export credits, guarantees or insurance to their nationals or entities involved in such trade) (resolution 2321 (2016), paras. 22 and 32)

Based on ongoing surveillance and industry engagements, no insurance company, takaful operator, reinsurance company or retakaful operator in Malaysia provide any insurance or reinsurance services to vessels owned, controlled or operated by the Democratic People's Republic of Korea. In addition, no financial institutions (banks, development financial institutions, insurers, reinsurers and takaful and retakaful operators) provide private financial support to any persons for trade with the Democratic People's Republic of Korea, including the granting of export credits, guarantees or insurance to nationals or entities of the Democratic People's Republic of Korea involved in such trade.

Alert on the use of bulk cash to evade measures imposed by the Security Council (resolution 2321 (2016), para. 35)

Labuan banks and Labuan investment banks do not have dealings with bulk cash. Under section 98 (1) of the Labuan Financial Services and Securities Act 2010 (Act 704) and section 73 (1) of the Labuan Islamic Financial Services and Securities Act 2010 (Act 705), on the prohibition of certain accounts, all licensed Labuan and/or Islamic banks are prohibited from accepting any money on deposit or loan which is repayable on demand by cheque, draft, order or any other instrument drawn by a depositor on the Labuan bank licensee.

The Royal Malaysian Customs Department has enforced regulations for cargo and travellers entering or leaving the country to declare on the customs declaration form No. 22 under Customs Regulations 1977, if they are carrying cash or bearer negotiable instruments exceeding US $10,000 or the equivalent. Any offences committed under the Customs Act 1967 (Act 235) and the Anti-Money-Laundering, Anti-Terrorism Financing and Proceeds of Unlawful Activities Act 2001 (Act 613) relating to bulk cash will be investigated accordingly.

Prohibition of the opening, maintenance and operation of all new or existing joint ventures or cooperative entities with entities or individuals of the Democratic People's Republic of Korea (resolution 2371 (2017), para. 12, and resolution 2375 (2017), para. 18)

No financial institutions have any existing joint ventures or cooperative entities with entities or individuals of the Democratic People's Republic of Korea. Bank Negara Malaysia made a policy decision in 2013 not to award licences to entities of the Democratic People's Republic of Korea; this includes joint ventures and cooperative entities licensed and/or regulated by the Bank only.

The Securities Commission of Malaysia issued a publication on its website that requested its capital market intermediaries to comply with those provisions. None of the reporting institutions have new joint ventures or cooperative entities with individuals or entities of the Democratic People's Republic of Korea.

The Companies Commission of Malaysia has issued an instruction to all company secretaries and prescribed bodies to take immediate steps in ensuring that no new incorporation or appointment of directors and shareholders involving Democratic People's Republic of Korea citizens is established.

The Labuan Financial Services Authority has informed all reporting institutions (Labuan banks and Labuan investment banks, insurance, reinsurance and insurance-related companies, as well as trust companies) on the prohibition of Democratic People's Republic of Korea labour (working permits) and the prohibition of opening, maintaining and operating any new or existing joint ventures or cooperatives with other entities or individuals of the Democratic People's Republic of Korea. Any exemptions thereto will be determined on a case-by-case basis, pursuant to paragraphs 17 and 18 of resolution 2375 (2017).

Prohibitions contained in paragraph 11 of resolution 2094 (2013) apply to the clearing of funds and companies performing financial services (resolution 2371 (2017), paras. 13 and 14)

The circular issued by the central bank to all financial institutions on 14 July 2016 for the full adoption and implementation of the Strategic Trade (United Nations Security Council Resolutions) Regulations 2010 with regard to countries and persons designated under the Strategic Trade (Restricted End Users and Prohibited End Users) Order 2010 gives full effect to the requirement under paragraphs 13 and 14 of resolution 2371 (2017).

On 15 August 2017, the Labuan Financial Services Authority informed all reporting institutions (Labuan banks and Labuan investment banks, insurance, reinsurance and insurance-related companies, as well as trust companies) of the mandate to conduct an immediate check and to report back to the Authority on all exposure matches with the designated list of individuals and entities. The Authority also mandated control measures to be applied accordingly within the prescribed timeline. From that exercise, a total of 200 declarations of no exposure were received from reporting institutions.

The Securities Commission has the power, under section 58 of the Capital Markets and Services Act 2007 (Act 671), to issue licences for capital market-regulated activities in Malaysia. The Securities Commission has an internal policy that does not allow entities of the Democratic People's Republic of Korea to operate in Malaysia.

(c) Transportation

Prohibition on owning, leasing or operating any vessel flagged in the Democratic People's Republic of Korea and inspection of vessels with the consent of the flag State on the high seas if cargo is believed to contain prohibited items (resolution 2321 (2016), paras. 8, 9, 12, 20 and 23, and resolutions 2371 (2017) and 2375 (2017), para. 7)

Based on the International Ship and Port Facility Security Code and the Merchant Shipping (Amendment and Extension) Act 2007 (Act A1316), all port authorities have been informed about the implementation of the operative provisions through the issuance of an information notice by the respective port authorities in Malaysia. The port authorities are required to monitor all vessels in transit through Malaysia for links with the Democratic People's Republic of Korea by means of the pre-arrival notification system, in particular ship and/or flag registration, company and/or ownership registration, the authority that issued the International Ship Security Certificate and the 10 previous ports of call.

The Malaysian Maritime Enforcement Agency has issued an instruction to all operational units to monitor vessel movement in the Malaysian Maritime Zone and to interdict any suspected vessel based on the Malaysian Maritime Enforcement Agency Act 2004 (Act 633) and the Merchant Shipping Ordinance 1952.

The Central Bank of Malaysia and the Labuan Financial Services Authority have reported that none of the domestic insurers or takaful operators provided insurance services to any vessel flagged in the Democratic People's Republic of Korea.

Inspection of rail and road cargo for prohibited items and seizure and disposal of items prohibited by Security Council resolutions (resolution 2321 (2016), paras. 6, 21 and 40)

Malaysia has implemented measures under the Strategic Trade Act 2010 to board any conveyance (vessel, train, vehicle, aircraft and any other means of transport) by which persons or items can be carried and to search all parts of such conveyance. An authorized officer is empowered to search, inspect and seize any items, including strategic or unlisted items, together with any container, package, conveyance or other article on board, including items that are being loaded or unloaded.

It also authorizes the Controller of the Act, after consultation with the Public Prosecutor, at any time the Controller considers it appropriate, to order the disposal of the strategic items or unlisted items together with any container, package, conveyance or other article in which the strategic items or unlisted items are stored, kept or found, record, book, account, document or computerized data subject to compliance with the specific procedures laid down in the Act.

Facilitating or engaging in ship-to-ship transfers to or from Democratic People's Republic of Korea flagged vessels (resolution 2375 (2017), para. 11)

A notice on the implementation of this provision was issued to all port authorities that reminded all terminals not to engage in or facilitate such activities with any Democratic People's Republic of Korea flagged vessels without permission from the Government of Malaysia.

Under the Fisheries Act 1985 (Act 317),[2] the Ministry of Agriculture and Agro-Based Industry, through the Department of Fisheries, does not allow any form of trans-shipment of fish between fishing vessels or between fishing vessels and carrier vessels in national waters.

(d) Sectoral

Prohibition of the supply, sale or transfer of copper, nickel, silver and zinc; coal, iron and iron ore; and lead and lead ore from the Democratic People's Republic of Korea (resolution 2321 (2016), para. 8, and resolution 2371 (2017), paras. 8 and 10)

All port operators, terminals and private jetties that handles related cargo on these obligations have been informed by all port institutions and/or commissions in Malaysia to monitor any cargo arriving at the port via the submission of cargo manifest. All vessels owned and/or flagged by the Democratic People's Republic of Korea are prohibited from entering Malaysian waters and ports unless approved by the Government of Malaysia. The relevant acts and regulations referred to for these operative paragraphs are as follows:

(a) Port Authorities Act 1963 (Act 488);

(b) Penang Port Commission Act 1955 (Act 140).

[2] Section 15 (2) reads: "No foreign fishing vessel shall load or unload any fish, fuel or supplies or trans-ship any fish in Malaysian fisheries waters without the written approval of the Director General". Section 20 reads: "Any person who brings into or has in his possession, custody or control in Malaysian fisheries waters fish taken or received from a foreign fishing vessel shall, unless he is authorized in writing so to do by the Director General, be guilty of an offence".

Prohibition of the supply, sale or transfer of new helicopters and vessels to the Democratic People's Republic of Korea (resolution 2321 (2016), para. 30)

The Strategic Trade Act 2010 provides control over the export, trans-shipment, transit and brokering of strategic items, including arms and related materiel, and other activities that will or may facilitate the design, development and production of weapons of mass destruction and their delivery systems.

In addition, new helicopters and vessels are controlled as strategic items under the Strategic Trade (Strategic Items) Order 2010, a subsidiary legislation under the Act. The export of helicopters and vessels from Malaysia to the Democratic People's Republic of Korea, one of the restricted end-user countries listed under the Strategic Trade (Restricted End Users and Prohibited End Users) Order 2010, is prohibited unless a person obtains a special permit issued by the relevant Authority under the Act. However, the export, trans-shipment or transit of such items to prohibited end users, namely, individuals and entities from the Democratic People's Republic of Korea who have been sanctioned under the relevant Security Council resolutions, are totally prohibited under the Act.

Prohibition of the supply, sale or transfer of seafood from the Democratic People's Republic of Korea (resolution 2371 (2017), para. 9)

The Ministry of Agriculture and Agro-Based Industry, through the Department of Fisheries, will implement port State control for fishing vessels from the Democratic People's Republic of Korea requesting the use of Malaysian ports for the purpose of unloading any fish, fuel or supplies or trans-shipping any fish based on sections 15 (2) and 20 of the Fisheries Act 1985.[2] Any request from the Democratic People's Republic of Korea for that purpose will be denied by the Director General of the Department of Fisheries Malaysia, and any person who contravenes or fails to comply with any provision of the Fisheries Act 1985 shall be guilty of an offence under section 25 (a) of the Act.

Based on section 4 (2) (a) of the Fisheries Development Authority Act 1971 (Act 49), any request from the Democratic People's Republic of Korea for wholesale licences and import licences for the importation of seafood (including fish, crustaceans, molluscs and all other forms of aquatic invertebrates) will be denied by the Fisheries Development Authority through gazetted customs entry points in the States of Sabah and Sarawak.

Based on section 11 (1) of the Malaysian Quarantine and Inspection Services Act 2011 (Act 728), any request for an import permit for the importation of seafood (including fish, crustaceans, molluscs and all other forms of aquatic invertebrates) from the Democratic People's Republic of Korea through gazetted customs entry points in west Malaysia and the Federal Territory of Labuan will be denied by the Malaysian Quarantine and Inspection Services.

Prohibition of the supply, sale or transfer of all condensates, natural gas liquids, refined petroleum products and crude oil to the Democratic People's Republic of Korea (resolution 2375 (2017), paras. 13–15)

To date, Malaysia has no business ties in the oil and gas sector with the Democratic People's Republic of Korea, including the PETRONAS Group and all its business units.

Malaysia continues to monitor and take action against the illegal export of petroleum under the Control of Supplies Act 1961 (Act 122). To date, no approvals have been granted for the export of any refined petroleum products to the Democratic People's Republic of Korea.

Prohibition on the supply, sale or transfer of textiles from the Democratic People's Republic of Korea (resolution 2375 (2017), para. 16)

The Malaysia External Trade Development Corporation has no record of any Malaysian company which imports textiles, fabrics or any apparel products (fully or partly completed) from the Democratic People's Republic of Korea.

(e) Proliferation network

Prohibition on specialized teaching and training and the suspension of scientific and technical cooperation with the Democratic People's Republic of Korea (resolution 2321 (2016), paras. 10–11)

Malaysia has implemented measures under the Strategic Trade Act 2010 to prohibit any person from providing any technical assistance, which includes instruction, skills, training, working knowledge and consulting services, within or outside Malaysia, if such technical assistance is intended for use in connection with a restricted activity, namely, any activity that supports the development, production, handling, usage, maintenance, storage, inventory or proliferation of weapons of mass destruction or participation in transactions with persons engaged in such activities.

Malaysia's cooperation with other countries in the field of nuclear science and technology is established under the Treaty on the Non-Proliferation of Nuclear Weapons and the Technical Cooperation Programme of the International Atomic Energy Agency (IAEA). Since the Democratic People's Republic of Korea is not a State member of IAEA, Malaysia does not have any cooperation with the Democratic People's Republic of Korea in the field of nuclear science and technology.

Inspection of personal luggage and checked baggage and restriction of members of the Government of the Democratic People's Republic of Korea associated with its nuclear and ballistic missile programme (resolution 2321 (2016), paras. 13 and 15)

The Royal Malaysian Customs Department has sufficient legislation to inspect luggage and passengers, including the personal luggage and checked baggage of individuals entering into or departing from Malaysia, for effective border control management. Subject to that legislation, the Customs Department has issued specific instructions to all states' customs stations, ports and airports to conduct inspections on individuals entering into or departing from the Democratic People's Republic of Korea through Malaysia.

In addition, the Immigration Department is taking the necessary actions to tighten the clearance of Democratic People's Republic of Korea passengers at the point of entry. Immediate action (refusal of entry and removal) will be taken with regard to persons of concern, such as those on watch lists or non-bona fide passengers, if detected.

Work authorization for nationals of the Democratic People's Republic of Korea (resolution 2321 (2016), paras. 33–34, resolution 2371 (2017), para. 11, and resolution 2375 (2017), para. 17)

Based on records of employment of the Department of Labour, there are no nationals of the Democratic People's Republic of Korea currently employed in Malaysia. The Department of Labour will continue to conduct statutory inspections on workplaces to ensure that this policy is adhered to.

As for Sabah and Sarawak, the Department of Labour in Sabah and Sarawak exercises extra control measures through the issuance of employer licences for the employment of non-resident employees under section 118 of the Sabah Labour

Ordinance (Sabah Cap. 67) and section 119 of the Sarawak Labour Ordinance (Sarawak Cap. 76). In Sarawak, the licence issued is subject to the approval in principle, approved by the committee chaired by the State Secretary of Sarawak. The licence issued is also subject to the quota approved by the committees chaired by the Immigration Department. To date, there is no record of the issuance of any licence with regard to the employment of nationals of the Democratic People's Republic of Korea.

(f) Vienna Conventions

Reduce the number of staff at diplomatic missions and consular posts of the Democratic People's Republic of Korea, prohibit the practice of professional or commercial activities by diplomatic agents of the Democratic People's Republic of Korea and prohibit the use of real property for any purpose other than diplomatic or consular activities (resolution 2321 (2016), paras. 14, 17 and 18)

The current number of staff at the Embassy of the Democratic People's Republic of Korea in Kuala Lumpur has been reduced to 13 (as of February 2018). Malaysia stands guided by the Vienna Convention on Diplomatic Relations of 1961 and the Vienna Convention on Consular Relations of 1963 in implementing the provisions related to privileges and immunities given to Democratic People's Republic of Korea Mission and diplomats in Malaysia.

Through the Ministry of Foreign Affairs, Malaysia issued and circulated a note verbale, dated 16 October 2017, to all diplomatic missions, including the Embassy of the Democratic People's Republic of Korea, consular offices and international organizations in Malaysia, with regard to the obligation to observe and respect Malaysia's laws, rules and regulations. The note verbale highlighted that all diplomatic missions, consular offices and international organizations should abstain from conducting any activities not in line with the diplomatic and consular job scope and should respect the Vienna Convention on Diplomatic Relations 1961 and Vienna Convention on Consular Relations 1963.

(g) International and regional cooperation

Malaysia believes that enhanced international and regional cooperation is the way to combat the proliferation of weapons of mass destruction and their related systems. In fulfilling Malaysia's continuous commitment to counter the proliferation of weapons of mass destruction, Malaysia has contributed actively to international non-proliferation and counterproliferation efforts through various operational initiatives and forums.

(i) International cooperation

Malaysia has consistently condemned the series of nuclear tests and ballistic missile launches conducted by the Democratic People's Republic of Korea. Malaysia has also participated actively in IAEA initiatives since becoming a member in 1969 and has held numerous regional training sessions and workshops under the Technical Cooperation Programme

Malaysia endorsed the Proliferation Security Initiative in April 2014 and has actively participated in workshops and seminars organized by members of the Initiative in several countries, including in the United States, New Zealand and the Republic of Korea. Malaysia has attended all four Nuclear Security Summits.

Malaysia has put in place its international cooperation regimes in the form of mutual legal assistance, extradition and various sectoral agreements and/or

memorandums of understanding in combating the proliferation of weapons of mass destruction and their related systems.

(ii) Regional cooperation

Malaysia plays an active and constructive role in non-proliferation and disarmament efforts at various regional and international forums. Malaysia co-chaired the seventh, eighth and ninth Association of Southeast Asian Nations (ASEAN) Regional Forum intersessional meetings on non-proliferation and disarmament, from 2015 to 2017, together with Canada and New Zealand. Malaysia hosted the seventh and eighth meetings in 2015 and 2016, respectively, where issues of non-proliferation and disarmament of weapons of mass destruction, including non-compliance with international non-proliferation obligations, were discussed.

During Malaysia's chairmanship of ASEAN in 2015, Malaysia has been consistent in expressing concerns about the nuclear and ballistic missile programmes of the Democratic People's Republic of Korea and other activities related thereto. The Democratic People's Republic of Korea had been urged to exercise self-restraint and comply with all relevant Security Council resolutions, as well as its commitments under the Joint Statement of the Fourth Round of the Six-Party Talks in 2005.

Notwithstanding the above-mentioned laws, regulations and initiatives, Malaysia will continue to institute additional measures if necessary to enforce the operative provisions as prescribed under resolutions 1540 (2004), 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016), 2276 (2016), 2321 (2016), 2356 (2017), 2371 (2017) and 2375 (2017).

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Note verbale dated 9 May 2018 from the Permanent Mission of France to the United Nations addressed to the Chair of the Committee

The Permanent Mission of France to the United Nations presents its compliments to the Chair of the Security Council Committee established pursuant to resolution 1718 (2006) and has the honour to transmit to him, in accordance with paragraph 17 of resolution 2397 (2017), the report of France on the implementation of that resolution (see annex).

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Annex to the note verbale dated 9 May 2018 from the Permanent Mission of France to the United Nations addressed to the Chair of the Committee

Report of France on the implementation of Security Council resolution 2397 (2017)

Introduction

Security Council resolution 2397 (2017) of 22 December 2017 reinforces sanctions against the Democratic People's Republic of Korea.

The measures introduced by resolution 2397 (2017) include more stringent action against the supply, sale or transfer to the Democratic People's Republic of Korea of all petroleum products, and stronger sectoral sanctions (banning exports from the Democratic People's Republic of Korea of food and agricultural products, machinery, electrical equipment, earth and stone, wood and vessels; banning the Democratic People's Republic of Korea from selling or transferring fishing rights; and banning the supply, sale or transfer to the Democratic People's Republic of Korea of all industrial machinery, transportation vehicles and iron, steel and other metals). The resolution strengthens the ban on issuing work authorizations to nationals of the Democratic People's Republic of Korea by requiring Member States to repatriate all such nationals earning income, and all Government safety oversight attachés, within 24 months from 22 December 2017. The resolution strengthens maritime interdiction measures addressing illicit exports from the Democratic People's Republic of Korea of coal and other prohibited items and illicit imports into the Democratic People's Republic of Korea of petroleum, and prohibits the provision of insurance or re-insurance for, and requires Member States to de-register, vessels involved in illicit activities. It also designates for sanctions a further 16 individuals and one entity.

In accordance with paragraph 17 of resolution 2397 (2017), France wishes to inform the Security Council of the measures taken to implement the resolution.

I. European Union measures

The European Union introduced restrictive measures applying to the Democratic People's Republic of Korea on 22 December 2006, following that country's first nuclear test, and all the Security Council resolutions have been transposed into European Union legislation through regulations and decisions of the Council of the European Union. The European Union has also taken additional action independently, targeting the Democratic People's Republic of Korea's nuclear weapons and nuclear programmes, programmes relating to other weapons of mass destruction, and ballistic missile programmes. The action taken includes import and export bans relating to weapons, goods, services and technologies that could contribute to such programmes.

By decision (CFSP) 2018/293 of 26 February 2018, the Council of the European Union established measures to implement Security Council resolution 2397 (2017), including:

- A strengthening of the ban on exports of all refined petroleum products to the Democratic People's Republic of Korea, reducing the quantity that could be exported from 2 million barrels to 500,000 barrels per year;

- A prohibition on importing food and agricultural products, machinery, electrical equipment, earth and stone, and wood, from the Democratic People's Republic of Korea;
- A ban on the supply to the Democratic People's Republic of Korea of all industrial machinery and transportation vehicles, and an extension of the ban to iron, steel and other metals;
- New maritime interdiction measures imposed where there are reasonable grounds to believe that a vessel has been involved in violations of United Nations sanctions;
- An obligation to repatriate all nationals of the Democratic People's Republic of Korea working abroad within 24 months, subject to applicable national and international law.

The additional 16 individuals and one entity designated by Security Council resolution 2397 (2017) were added to the list of individuals and entities subject to an assets freeze and travel ban by implementing decision (CFSP) 2018/16 of the Council of the European Union, adopted on 8 January 2018. The 79 individuals and 54 entities designated by the Security Council are subject to European Union assets-freeze and travel-ban measures.

The complete ban on exports of crude oil established by resolution 2397 (2017) had already been introduced by the Council of the European Union, through decision (CFSP) 2017/1860 of 16 October 2017.

II. Measures established by France to supplement European Union legislation

France strengthened its domestic law by means of the Act of 14 March 2011 on combating the proliferation of weapons of mass destruction and their delivery systems. In particular, this Act establishes the financing of proliferation as a separate offence.

A. Designations

Banks and financial institutions in France are informed of European Union measures regarding the designation of individuals and entities via, inter alia, the Official Journal of the European Union, the consolidated list of financial sanctions of the European Union and the website of the Department of the Treasury, which has a dedicated page on the sanctions regime against the Democratic People's Republic of Korea and a single list of freezing measures applicable in France. French banks and financial institutions are required to implement these measures without delay.

Article L562-3 of the Monetary and Financial Code allows the minister responsible for economic affairs to freeze, for a renewable period of six months, all or part of the funds, financial instruments and economic resources held by individuals and entities designated by the Security Council or by the European Union. A decree of the Minister of the Economy and Finance of 12 January 2018 implemented the freeze against the individuals and entities designated by Security Council resolution 2397 (2017), pending the adoption of European Union legislation.

B. Employment of nationals of the Democratic People's Republic of Korea in France

France has not recorded any presence in its territory of nationals of the Democratic People's Republic of Korea or of safety oversight attachés of the Government of that country monitoring those nationals.

C. Maritime interdiction

In addition to imposing restrictive measures, the French authorities have contacted shipping companies and companies supplying shipping-related services, including certification services, to raise their awareness regarding proper implementation of the sanctions adopted by the Security Council.

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The Permanent Mission of Canada to the United Nations presents its compliments to the Chair of the Security Council Committee established pursuant to resolution 1718 (2006) and has the honour to transmit the national report of Canada on the implementation of Security Council resolutions 2270 (2016), 2321 (2016), 2371 (2017), 2375 (2017) and 2397 (2017) (see annex).

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Annex to the note verbale dated 16 May 2018 from the Permanent Mission of Canada to the United Nations addressed to the Chair of the Committee

Report of Canada on the implementation of Security Council resolutions 2270 (2016), 2321 (2016), 2371 (2017), 2375 (2017) and 2397 (2017)

Overview

Canada fully supports the implementation of Security Council sanctions to constrain the proliferation efforts of the Democratic People's Republic of Korea. Canada has incorporated Security Council sanctions measures into national law under the United Nations Act. Since 2011, in addition to Security Council sanctions, Canada has also imposed autonomous sanctions against the Democratic People's Republic of Korea under the Special Economic Measures Act. The 2018 budget of the Government of Canada further allocated resources towards strengthening Canada's sanctions capacity, with the aim of enhancing a whole-of-government sanctions policy, coordination and legal and regulatory work.

Background

Bilateral relations

Canada recognized the Democratic People's Republic of Korea in 2000 and established diplomatic relations in 2001. Relations have been maintained through the Embassy of Canada in Seoul and the Permanent Mission of the Democratic People's Republic of Korea to the United Nations in New York. Canada has never hosted a diplomatic mission for the country; Sweden acts as Canada's protecting power in the Democratic People's Republic of Korea. Currently, there are no cross-accredited diplomatic representatives between Canada and the Democratic People's Republic of Korea.

Canada imposed tight restrictions on bilateral relations in October 2010 in response to the aggressive actions of the Democratic People's Republic of Korea. Specifically, the Government of Canada adopted a controlled engagement policy towards the country, which remains in place. Under that policy, official bilateral contact with the Government of the Democratic People's Republic of Korea is limited to: (a) regional security concerns; (b) the human rights and humanitarian situation in the Democratic People's Republic of Korea; (c) inter-Korean relations; and (d) consular issues.

National legislative authority for sanctions

Canada has enacted sanctions related to the Democratic People's Republic of Korea under both the United Nations Act and the Special Economic Measures Act.

The Regulations Implementing the United Nations Resolutions on the Democratic People's Republic of Korea incorporate the binding decisions of the Security Council contained in resolutions 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016), 2321 (2016), 2356 (2017), 2371 (2017), 2375 (2017) and 2397 (2017) into national law. The Regulations are implemented under the United Nations Act.

Since 2011, in addition to Security Council sanctions, Canada has imposed autonomous sanctions against the Democratic People's Republic of Korea under the

Special Economic Measures Act, to reinforce the message to the Democratic People's Republic of Korea regime that its aggressive actions are unacceptable. The Special Economic Measures (Democratic People's Republic of Korea) Regulations include a ban on all exports to the Democratic People's Republic of Korea; a ban on all imports to Canada from the Democratic People's Republic of Korea; a ban on all new investment in the Democratic People's Republic of Korea; a ban on the provision of financial services to the Democratic People's Republic of Korea and to persons in the Democratic People's Republic of Korea; a bar on the provision of technical data to the Democratic People's Republic of Korea; and a ban on docking and landing in, and transiting through, Canada by ships and aircraft of the Democratic People's Republic of Korea. On 18 October 2017, Canada enacted the Justice for Victims of Corrupt Foreign Officials Act (Sergei Magnitsky Law). To date, Canada has not used this new legislation to autonomously sanction any officials of the Democratic People's Republic of Korea for extrajudicial killings, torture or acts of corruption.

The Royal Canadian Mounted Police and the Canada Border Services Agency enforce the relevant statutes and regulations. Evidence of suspected violations of sanctions legislation is referred to these entities. The Agency facilitates and oversees international travel and trade across Canada's border. The Agency's legislative, regulatory and partnership responsibilities include interdicting illegal goods entering or leaving the country. Canada's cargo inspection regime is also overseen by the Agency.

The Regulations Implementing the United Nations Resolutions on the Democratic People's Republic of Korea (DPRK) allow for the issuance of ministerial certificates to authorize certain prohibited activities if it is established that the requirements for participation in such activities are met, including, when required, the approval of the Committee. The Special Economic Measures (Democratic People's Republic of Korea) Permit Authorization Order, enacted pursuant to subsection 4 (4) of the Special Economic Measures Act, authorizes the Minister for Foreign Affairs to issue, to any person in Canada or any Canadian outside Canada, a permit to carry out a specified activity or transaction, or class of activity or transaction, that is restricted or prohibited pursuant to the Special Economic Measures (Democratic People's Republic of Korea) Regulations.

Regulations enacted under Canada's Export and Import Permits Act also restrict trade with the Democratic People's Republic of Korea. The export or transfer of any goods or technology to countries on the Area Control List is controlled and must be authorized by an export permit issued by the Minister for Foreign Affairs under the authority of the Act; absent such a permit, section 15 (1) of the Act prohibits any person from doing anything in Canada that causes or assists any shipment, trans-shipment, diversion or transfer of any goods or technology included in an export control list to any country on the Area Control List. The Democratic People's Republic of Korea has been listed there since 2010. Applications for permits to export to any country on that list anything other than humanitarian goods, settlers' effects or goods for stabilization or reconstruction activities will normally be denied.

Canada's Proceeds of Crime (Money Laundering) and Terrorist Financing Act may also be employed by the Minister of Finance against prescribed individuals and entities. On 9 December 2017, a Ministerial directive was issued under the Act, in response to concerns regarding money-laundering and terrorist financing threats posed by the Democratic People's Republic of Korea and a call from international partners, through the Financial Action Task Force, to strengthen measures in relation to the Democratic People's Republic of Korea. The directive requires reporting entities to treat all transactions to or from the Democratic People's Republic of Korea as high-risk and take enhanced due diligence to mitigate any risks.

Travel restrictions on individuals and entities of the Democratic People's Republic of Korea designated under relevant Security Council resolutions are implemented pursuant to the application of the Immigration and Refugee Protection Act and its regulations.

With regard to sanctions reporting, Canada's Privacy Act governs the handling of all personal information by federal departments and agencies, namely, the collection, use and disclosure of personal information. Without the consent of the individuals to whom it relates, no personal information under the control of a Canadian government institution may be shared (subject to exclusions set out under section 3 and exemptions set out under section 8 of the Act).

Links to the full text of all legislation described above can be found in the section entitled "Additional notes" below.

Security Council measures as implemented in national legislation

The sections of the Regulations Implementing the United Nations Resolutions on the Democratic People's Republic of Korea (DPRK) outlined below incorporate into Canadian national law prohibitions contained in Security Council resolutions 1718 (2006), 2087 (2013), 1874 (2009), 2094 (2013), 2270 (2016), 2321 (2016), 2356 (2017), 2371 (2017), 2375 (2017) and 2397 (2017).

Movement of goods and provision of technical assistance

Section 3 (2) prohibits the supply or transfer of bulk cash to or from the Democratic People's Republic of Korea.

Sections 6 (1) and 6 (2) prohibit the export to the Democratic People's Republic of Korea of the following items:

- Arms and related materials
- Vehicles, aircraft, vessels and associated transport equipment referred to in codes 86 to 89 of the Harmonized Commodity Description and Coding System developed and maintained by the World Customs Organization
- Luxury goods
- Aviation fuel, including rocket fuel
- Crude oil and refined petroleum products
- Condensates and natural gas liquids
- Base metals and articles of base metal referred to in Harmonized System codes 72 to 83
- Machinery, mechanical appliances and electrical equipment referred to in Harmonized System codes 84 and 85
- Products contributing to the Democratic People's Republic of Korea's weapons programme

Section 6 (3) prohibits the provision, to the Democratic People's Republic of Korea, of technical assistance related to the sale, supply, transfer, manufacture, use or maintenance of arms and related materials or products contributing to the weapons programme of the Democratic People's Republic of Korea.

Sections 7 (1) to 7 (7) prohibit the import from the Democratic People's Republic of Korea of the following items:

- Arms and related materials
- Vessels
- Products contributing to the weapons programme of Democratic People's Republic of Korea
- Salt, sulphur, earths and stone, plastering materials, lime, cement and other materials referred to in Harmonized System code 25
- Coal, iron, iron ore, gold, titanium ore, vanadium ore, rare earth minerals, copper, nickel, silver, zinc, lead and lead ore
- Wood, articles of wood and wood charcoal referred to in Harmonized System code 44
- Statues
- Seafood
- Edible vegetables, roots and tubers referred to in Harmonized System code 7; edible fruit, nuts and peel of citrus fruit or of melons referred to in Harmonized System code 8; and the oil seeds, oleaginous fruits, miscellaneous grains, seeds and fruit, industrial or medicinal plants, straw and fodder referred to in Harmonized System code 12
- Textiles
- Machinery, mechanical appliances and electrical equipment referred to in Harmonized System codes 84 and 85

Section 7 (4) prohibits the acquisition of fishing rights from the Democratic People's Republic of Korea.

Section 7 (8) prohibits the acceptance, from the Democratic People's Republic of Korea, of technical assistance related to the purchase, acquisition, manufacture, use or maintenance of arms and related materials or products contributing to the weapons programme of the Democratic People's Republic of Korea.

Designated individuals and entities and training of nationals of the Democratic People's Republic of Korea

Asset freeze

Section 3 (1) of the Regulations Implementing the United Nations Resolutions on the Democratic People's Republic of Korea (DPRK) imposes an asset freeze and dealings prohibition on the individuals and entities maintained on the list of designated persons pursuant to resolution 1718 (2006).

Travel ban

Travel restrictions are implemented under Canada's Immigration and Refugee Protection Act. Sanctions-related inadmissibilities of foreign nationals, including any persons designated by Security Council resolutions, are described in and implemented under section 35 (1) (c), (d) and (e) of the Act. All visa applications by nationals of the Democratic People's Republic of Korea are assessed on a case-by-case basis to determine whether they meet the eligibility requirements of the Act and whether they are inadmissible under sanctions or any other inadmissibility provisions such as security or criminality. Key security partners are consulted as appropriate.

Training

Section 6 (4) prohibits the teaching or training of nationals of the Democratic People's Republic of Korea in fields such as advanced physics, aerospace engineering and advanced computer simulation, which could contribute to the proliferation-sensitive nuclear activities of the Democratic People's Republic of Korea or the development of nuclear weapons delivery systems.

Furthermore, the Government of Canada reviews student visa applications from individuals of the Democratic People's Republic of Korea to ensure that their field of study does not violate the Regulations Implementing the United Nations Resolutions on the Democratic People's Republic of Korea (DPRK), the Special Economic Measures (Democratic People's Republic of Korea) Regulations or Canada's various obligations under international law.

Maritime and airborne vessels

Sections 8 (1) and (2) prohibit vessels and aircraft from carrying prohibited products and bulk cash to or from the Democratic People's Republic of Korea.

Section 8 (3) prohibits Canadians from trans-shipping, causing to be trans-shipped or permitting to be trans-shipped, to or from vessels flagged by the Democratic People's Republic of Korea, any product destined to or from the Democratic People's Republic of Korea.

Section 9 (1) prohibits the provision of products or services for the operation or maintenance of vessels believed to be carrying prohibited items to or from the Democratic People's Republic of Korea.

Section 9 (2) prohibits the provision of Canadian-flagged vessels or aircraft to the Democratic People's Republic of Korea and the provision of crew services to the Democratic People's Republic of Korea.

Section 9 (3) prohibits Canadians from procuring vessel and aircraft crew services from the Democratic People's Republic of Korea.

Section 9 (4) (a) prohibits Canadians from registering a vessel in the Democratic People's Republic of Korea.

Section 9 (4) (b) prohibits Canadians from obtaining authorization for a vessel to fly the Democratic People's Republic of Korea flag.

Section 9 (4) (c) prohibits Canadians from owning, leasing or operating, directly or indirectly, any vessel flagged by the Democratic People's Republic of Korea.

Section 9 (4) (d) prohibits Canadians from insuring or reinsuring any vessel flagged by the Democratic People's Republic of Korea, any vessel owned, held, controlled or operated, directly or indirectly, by the Democratic People's Republic of Korea or any vessel engaged in the transport or prohibited items.

Section 9 (4) (e) prohibits Canadians from providing any vessel classification, certification or related service for any vessel flagged by the Democratic People's Republic of Korea.

Financial measures

Sections 4 (1) and (2) prohibit the provision or acceptance of financial services in relation to any act or thing prohibited under the Regulations Implementing the United Nations Resolutions on the Democratic People's Republic of Korea (DPRK).

Section 4 (1) also prohibits financial support for trade with the Democratic People's Republic of Korea.

Section 5 (1) prohibits Canadian financial institutions from opening branches in the Democratic People's Republic of Korea.

Section 5 (2) prohibits the opening, maintaining or operating of joint ventures with entities or individuals of the Democratic People's Republic of Korea.

In addition, section 973 of Canada's Bank Act provides for the Minister of Finance to consider Canada's national security, international relations and international legal obligations when considering an application for the opening of a bank in Canada.

There are no branches, subsidiaries or representative offices of banks of the Democratic People's Republic of Korea in Canada. In addition, no Canadian banks have branches or operations in the Democratic People's Republic of Korea or engage in joint ventures or correspondent relationships with banks of the Democratic People's Republic of Korea or hold ownership interests in such banks.

Monitoring of illicit financial transactions, including procurement by designated entities and/or individuals, falls under the mandates of the Royal Canadian Mounted Police, the Canada Border Services Agency and the Office of the Superintendent of Financial Institutions.

Work authorization to the Democratic People's Republic of Korea nationals

Foreign nationals seeking entry to work in Canada must demonstrate that they do not pose a threat to the security of Canada and are not otherwise inadmissible under Canadian immigration law. As with other travellers, all applications by nationals of the Democratic People's Republic of Korea seeking to work temporarily in Canada are assessed on a case-by-case basis to determine eligibility as described above.

Currently, work permits for nationals of the Democratic People's Republic of Korea in Canada have been issued for humanitarian and compassionate reasons, or for reasons associated with in-Canada applications for permanent residence in Canada. Those permits are available to individuals already present in Canada and do not represent a source of overseas temporary foreign workers.

Remittances to the Democratic People's Republic of Korea from Canada are restricted under section 5 of the Special Economic Measures (Democratic People's Republic of Korea) Regulations, which prohibits all provision or acquisition of financial services to or from the Democratic People's Republic of Korea or persons in the Democratic People's Republic of Korea, with the exception of non-commercial remittances of less than $1,000, and which also provides additional financial regulations.

Additional notes

The Government of Canada continues to assess and consult departments and agencies to ensure that authority exists for full compliance with and implementation of all sanctions measures in the most recent Security Council resolutions.

The Government of Canada is also engaging bilaterally and multilaterally with international partners to address the proliferation activities of the Democratic People's Republic of Korea. This includes coordination and consultation within the Group of Seven, undertaking joint démarches and advocacy and providing funds through the Weapons Threat Reduction Program of Global Affairs Canada for projects

to build capacity in key countries in order to implement United Nations sanctions, conduct research into the sanctions evasion techniques used by the Democratic People's Republic of Korea and facilitate reviews of export control policies on proliferation-sensitive goods in key States.

Useful links

For information on all Canadian economic sanctions, please refer to www.international.gc.ca/sanctions/index.aspx?lang=eng.

For an overview of Canadian sanctions related to the Democratic People's Republic of Korea, please refer to www.international.gc.ca/sanctions/countries-pays/korea-coree.aspx?lang=eng.

Information on the controlled engagement policy can be found at www.canadainternational.gc.ca/korea-coree/bilateral_relations_bilaterales/canada-dpr_korea-rpd_coree.aspx?lang=eng.

The Special Economic Measures (Democratic People's Republic of Korea) Regulations can be found at http://laws-lois.justice.gc.ca/eng/regulations/SOR-2011-167/FullText.html.

The Regulations Implementing the United Nations Resolutions on the Democratic People's Republic of Korea (DPRK) can be found at http://laws-lois.justice.gc.ca/eng/regulations/SOR-2006-287/page-1.html. This consolidated version may not include the latest amendments.

The Bank Act can be found at http://laws-lois.justice.gc.ca/eng/acts/B-1.01/FullText.html.

The Export and Import Permits Act can be found at http://laws-lois.justice.gc.ca/eng/acts/E-19/FullText.html.

The Immigration and Refugee Protection Act can be found at http://laws-lois.justice.gc.ca/eng/acts/i-2.5/FullText.html.

The Justice for Victims of Corrupt Foreign Officials Act (Sergei Magnitsky Law) can be found at http://laws-lois.justice.gc.ca/eng/acts/J-2.3/FullText.html.

The Privacy Act can be found at http://laws-lois.justice.gc.ca/eng/acts/p-21/FullText.html.

The Proceeds of Crime (Money Laundering) and Terrorist Financing Act can be found at http://laws-lois.justice.gc.ca/eng/acts/P-24.501/FullText.html.

The Special Economic Measures (Democratic People's Republic of Korea) Permit Authorization Order can be found at http://laws-lois.justice.gc.ca/eng/regulations/SOR-2011-168/FullText.html.

Guidance relating to the Ministerial directive on the Democratic People's Republic of Korea (DPRK), as well as the directive itself, can be found at www.fintrac-canafe.gc.ca/obligations/dir-dprk-eng.asp.

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Letter dated 23 May 2018 from the Permanent Representative of Mongolia to the United Nations addressed to the Chair of the Committee

I have the honour to submit herewith the national report of the Government of Mongolia on the implementation of Security Council resolution 2397 (2017) (see annex).

I would kindly request you to issue it as a document of the Security Council.

(*Signed*) Sukhbold **Sukhee**
Ambassador Extraordinary and Plenipotentiary
Permanent Representative of Mongolia to the United Nations

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Annex to the letter dated 23 May 2018 from the Permanent Representative of Mongolia to the United Nations addressed to the Chair of the Committee

Report of Mongolia on the implementation of Security Council resolution 2397 (2017)

Pursuant to paragraph 17 of Security Council resolution 2397 (2017), Mongolia hereby submits its report on the measures taken to implement the resolution.

1. Overview

Mongolia is committed to a nuclear-weapon-free world and has consistently been supporting every effort of the international community to promote the non-proliferation of nuclear weapons in all its aspects and towards achieving nuclear disarmament.

Mongolia has fully implemented its obligations under relevant Security Council resolutions on the Democratic People's Republic of Korea and duly submitted its reports (S/AC.49/2007/21, S/AC.49/2014/5, S/AC.49/2016/39, S/AC.49/2017/41 and S/AC.49/2017/158).

After its adoption by the Security Council, resolution 2397 (2017) was immediately circulated to all the relevant ministries, agencies and organizations, which further disseminated the contents of the resolution to subsidiary bodies, entities and businesses.

The Ministry of Foreign Affairs of Mongolia continues to be the Government entity responsible for the overall coordination of the implementation of the provisions of resolution 2397 (2017) and all other related Security Council resolutions on the Democratic People's Republic of Korea.

2. Implementation measures

Mongolia is fully committed to the implementation of Security Council resolutions 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016), 2321 (2016), 2356 (2017), 2371 (2017), 2375 (2017) and 2397 (2017) on the Democratic People's Republic of Korea. In addition to the information provided in the previous reports on the implementation of Security Council resolutions relating to the Democratic People's Republic of Korea, Mongolia hereby reports on some updates concerning the implementation of concrete provisions of resolution 2397 (2017) as set out below.

A. Designations (paragraph 3)

Relevant border control authorities have been informed of the provisions of resolution 2397 (2017) and of their obligations thereunder. No individual listed in annex I to resolution 2397 (2017) and the previous resolutions on the Democratic People's Republic of Korea for a travel ban has entered into or transited through the territory of Mongolia.

The Central Bank of Mongolia and the General Intelligence Agency have been informed of the provisions of resolution 2397 (2017), specifically of the names of individuals and entities listed in annexes I and II to resolution 2397 (2017) regarding an asset freeze, and of their obligations thereunder. Relevant authorities continue to strictly monitor and ensure the implementation of the measures of Security Council resolutions regarding these individuals and entities.

B. Sectoral (paragraphs 4–8)

Relevant agencies and businesses of Mongolia have been informed of and updated on the new contents and measures regarding the export, import, transfer and inspection of goods. Mongolian authorities have carried out thorough reviews and found no information on the procurement, supply, sale or transfer of the goods and items, including crude oil, food and agricultural products (HS codes 12, 08, 07), machinery (HS code 84), electrical equipment (HS code 85), earth and stone, including magnesite and magnesia (HS code 25), wood (HS code 44), vessels (HS code 89), industrial machinery (HS codes 84 and 85), transportation vehicles (HS codes 86 through 89), and iron, steel and other metals (HS codes 72 through 83) prohibited under paragraphs 4 to 7 of Security Council resolution 2397 (2017).

Relevant ministries and border control and customs authorities have been reminded of their obligations under the Security Council resolutions 1718 (2006), 1874 (2009), 2087 (2013), 2094 (2013), 2270 (2016), 2321 (2016), 2356 (2017), 2371 (2017), 2375 (2017) and 2397 (2017), including those related to the inspection of all personal luggage and baggage of nationals of the Democratic People's Republic of Korea and of others travelling to or from that country, as well as of cargo being sent to or from the country, or for which brokering or facilitation is provided by the Democratic People's Republic of Korea or its nationals, or by individuals or entities acting on their behalf. There has been no case registered or reported in this regard.

Mongolia has been strictly complying with paragraph 8 of resolution 2397 (2017) regarding the repatriation of nationals of the Democratic People's Republic of Korea from its territory.

In accordance with paragraph 17 of resolution 2375 (2017) the decision has been taken not to provide new work authorizations for nationals of the Democratic People's Republic of Korea. On 3 June 2018, the agreement on the exchange of labour between the Government of Mongolia and the Government of the Democratic People's Republic of Korea will expire. As of 31 March 2018, 445 workers from that country had been repatriated from Mongolia, in addition to 200 workers from the Democratic People's Republic of Korea who were expelled in 2016. In accordance with paragraph 8 of resolution 2397 (2017), the Government of Mongolia is working with the Embassy of the Democratic People's Republic of Korea to organize an orderly withdrawal of the relevant workers.

C. Maritime interdiction of cargo vessels (paragraphs 9–16)

Mongolia is a landlocked country. Currently, there are 341 foreign vessels carrying the Mongolian flag on the high seas. There had been some vessels from the Democratic People's Republic of Korea carrying the Mongolian flag, prior to the adoption of Security Council resolutions 2270 (2016) and 2321 (2016). Pursuant to paragraph 19 of Security Council resolution 2270 (2016), 17 vessels associated with the Democratic People's Republic of Korea were deregistered and their contracts were terminated in 2015–2016. Moreover, four vessels operating under Mongolian flag that had allegedly transported coal from the Democratic People's Republic of Korea were deregistered in 2017. Currently, there is no vessel of the Democratic People's Republic of Korea operating under the Mongolian flag.

D. Political (paragraph 27)

In paragraph 27 of its resolution 2397 (2017), the Security Council welcomes efforts by Council members as well as other States to facilitate a peaceful and comprehensive solution through dialogue and stresses the importance of working to reduce tensions on the Korean Peninsula and beyond.

One of the priorities of Mongolian foreign policy is to be engaged in Asia-Pacific multilateral cooperation and to lend proactive support to the policies and activities aimed at strengthening strategic stability and security cooperation in East Asia, North-East Asia and Central Asia. Within this framework, Mongolia came forward in 2013 with the initiative of holding the "Ulaanbaatar Dialogue on Northeast Asian Security" and the fourth such international conference was successfully held on 15 and 16 June 2017 in Ulaanbaatar. If the previous three conferences were organized at the track 2 level, the 2017 conference was held at the track 1.5 level. Government representatives and academicians of Canada, China, the Democratic People's Republic of Korea, France, Germany, Japan, Mongolia, the Republic of Korea, the Russian Federation and the United States of America, as well as representatives of the Economic Research Institute for ASEAN and East Asia, the Economic Research Institute for Northeast Asia, the United Nations Environment Programme, the Department of Political Affairs of the Secretariat, the International Committee of the Red Cross and the Comprehensive Nuclear-Test-Ban Treaty Organization were among the participants in the conference.

The agenda of the fourth conference included not only security issues pertaining to North-East Asia but also potential projects in the energy, infrastructure and environmental sectors. Many interesting ideas and perspectives were expressed by the participants on the main topics of the conference. Presentations offered diverse analyses of the present situation in North-East Asia, its security environment, the strategic interests of relevant countries and perspectives for the future.

North-East Asia is the only subregion without any established mechanism for security cooperation. Participants highlighted the importance of engagement during the conference, stressing that engagement should be an important prerequisite for any dialogue to succeed. Mongolia has been consistently encouraging the constructive engagement of all countries, including the Democratic People's Republic of Korea, in de-escalating the tension and resolving the outstanding issues.

The conference proved once again that the Ulaanbaatar Dialogue continues to enjoy broad support. For instance, as Noboru Miyawaki of Ritsumeikan University noted, the Ulaanbaatar Dialogue was the only setting that covered all the political entities in North-East Asia. Indeed, Mongolia is the only country in the region that does not have any unresolved issues, be they territorial or political, with other countries in the region, or with any other country for that matter. Our aim is to provide a neutral ground for constructive dialogue and engagement.

The Government of Mongolia will continue its efforts to facilitate a peaceful and comprehensive solution to the outstanding issues in and around the Korean Peninsula and will hold the fifth Ulaanbaatar Dialogue on 14 and 15 June 2018, under the theme "Northeast Asian Security Environment towards 2025".

3. Conclusion

Mongolia stands committed to the implementation of the relevant Security Council resolutions and to cooperating closely with the Security Council Committee established pursuant to resolution 1718 (2006).